

Exhibit No. \_\_\_\_\_

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Empire District Electric Company, )  
Liberty Utilities (Central) Co. and Liberty Sub Corp. )  
Concerning an Agreement and Plan of Merger and )  
Certain Related Transactions. )

Case No. EM-2016-0213

Rebuttal Testimony

of

Randall L. Harris

On Behalf of Laborers' International Union of North America ("LiUNA")

July 20, 2016

1 I. INTRODUCTION AND WITNESS QUALIFICATIONS

2 **Q: Please state your name, affiliation, and address.**

3 A: My name is Randall L. Harris. I am the Director of The Midwest Region and Illinois  
4 Laborers-Employers Cooperation and Education Trust, MR LECET. I have held this position  
5 since February 1, 2011. My business address is #1 N. Old State Capitol Plaza, Suite 525,  
6 Springfield, IL 62701.

7

8 **Q: What is your occupation?**

9 A: As I stated, I am the Director of the Midwest Laborers-Employers Cooperation and Education  
10 Trust.

11

12 **Q: Please summarize your background and professional experience.**

13 A: I have been involved in the construction industry since 1996 as a member of Laborers' Local  
14 338 in Wood River, IL. Among other construction jobs I have held, I worked construction  
15 projects in several refineries, power generation facilities, public & private construction, and  
16 various heavy construction projects in Illinois while working my way through college, as many  
17 workers have done in the construction industry. After college I began working regularly on  
18 construction projects until eventually beginning work as a jobsite monitor for an employer who  
19 verified construction work was performed according to applicable state and federal laws and  
20 project specifications. After that I worked as a Union organizer becoming the Assistant Director  
21 in 2008 before I was named the Director of Midwest Region LECET in 2011.

1 **Q: What are your duties and responsibilities in your current position?**

2 A: The Midwest Region Laborers-Employers Cooperation and Education Trust, commonly  
3 referred to as MR LECET, was formed as a non-profit joint labor-management cooperation effort  
4 to address construction industry issues. Those issues include, by way of example, industry needs  
5 for quality construction, safe construction practices, apprenticeship and training programs and  
6 cooperation between the Laborers' Union and employers who include major industry  
7 employers. Additionally, we work closely with leading construction industry organizations on  
8 issues of importance to the entire sector, such as transportation funding, market-related  
9 legislation, marketing strategies, and workforce development.

10

11 **Q: On whose behalf are you testifying?**

12 A: I am testifying on behalf of the Laborers' International Union of North America ("LiUNA"),  
13 it's affiliated District Councils and Local Unions in Missouri.

14

15

16 II. EMPIRE/LIBERTY MERGER

17 **Q: What is the purpose of your testimony?**

18 A: I am testifying today in support of the proposed merger between Liberty Utilities and Empire  
19 Electric, based upon certain conditions.

20

1 **Q: What is your understanding as to the purpose and scope of this proceeding?**

2 **A:** I understand that the applicants have filed this case at the Missouri Public Service  
3 Commission seeking approval of an agreement that contains various transactions that would  
4 result in Empire District Electric Company becoming a wholly owned subsidiary of Liberty  
5 Utilities.

6

7 **Q: Has LiUNA entered into a Stipulation and Agreement with the joint merger applicants**  
8 **in this case?**

9 **A:** Yes. That stipulation was filed in this case on July 19, 2013 (“Stipulation and Agreement as  
10 to LiUNA”), in which the Joint Applicants agree to certain conditions, including the  
11 implementation of a Responsible Contractor Policy for construction and maintenance projects  
12 that include fixed-price contracts in excess of \$1 million.

13

14 **Q: Why do you support this proposed merger based the conditions contained the**  
15 **Stipulation and Agreement as to LiUNA?**

16 **A:** Members of LiUNA reside and work in the service area covered by Empire Electric in  
17 Missouri. The Stipulation and Agreement as to LiUNA represents a negotiated settlement of all  
18 issues that LiUNA has in this case and ensures that trained, qualified, and locally sourced  
19 workers continue to have an opportunity to be employed on large projects undertaken by  
20 Empire/Liberty. The apprenticeship and training opportunities that may be present are an  
21 opportunity for workers to build and sustain a career. The construction and maintenance projects

1 that may be undertaken by Empire/Liberty in the future can help support the local communities  
2 where the projects are taking place. In short, based upon this agreement, the proposed merger  
3 could be a significant boost to our members and to the local communities where they live.

4

5 **Q: What impact do you believe approval of this merger will have on the construction**  
6 **industry in Missouri?**

7 **A:** First I believe that mergers of this nature, when parties can agree, may increase employment  
8 opportunities for workers in the construction industry by creating a substantial number of  
9 construction career opportunities for construction industry workers, including Laborers', and  
10 Electricians, both of which are highly skilled jobs. These construction professionals work on  
11 many projects of this nature throughout their career as construction workers. These workers are  
12 compensated fairly for the skills they possess and have established programs for job-site safety,  
13 health care, and retirement; which will be funded through work on this projects at  
14 Empire/Liberty facilities. These professionals also have established industry training funds  
15 which ensure that the next generation of highly skilled workers are being trained and ready to  
16 perform work on future projects. All of these programs are a cooperative effort between the  
17 various unions and industry employers.

18 **Q: Is the use of LiUNA workers instrumental to construction and maintenance at power**  
19 **generation facilities?**

20 **A:** Yes. Our members have the background, training, and experience to ensure that those types of  
21 projects are built to the highest standards. I firmly believe there are no better qualified or skilled  
22 workers than what we can provide to complete projects safely, responsibly, and efficiently.

1

2 **Q: What type of training does LiUNA provide to its workers, and how is that training**  
3 **beneficial to the project?**

4 **A:** LiUNA invests about \$100 million a year in skills training for construction workers through  
5 more than 70 mobile and fixed training centers. Those centers offer specific training in all  
6 aspects of industrial construction and maintenance.

7

8 **Q: How do the safety programs relate to the proposed project?**

9 **A:** Job-site safety is an important issue to workers and employers. Safety includes safe work  
10 practices to avoid injury to workers which is critical to the workers, their families and the  
11 employer. But safety also includes safe work practices that help avoid an adverse impact on the  
12 environment. Safe work practices also include work procedures to avoid adverse interaction with  
13 existing forms of transportation, such as road and rail crossings, and minimal impact on  
14 conservation areas in the State. Well trained workers take great pride in the projects they work  
15 on and my experience is that these workers have constructed billions of dollars of power  
16 generation facilities.

17

18 III. CONCLUSION

19 **Q: Does this conclude your testimony?**

20 **A:** Yes, it does.